(c) Subject to applicable limitations, retroactive benefits shall be in addition to prospective assistance provided under this subpart. A dependent eligible for retroactive benefits may choose to waive such assistance and apply only for prospective assistance under the provisions of this subpart.

[62 FR 37716, July 15, 1997, as amended at 62 FR 39120, July 22, 1997]

## § 32.36 Action on applications for assistance.

- (a) After examining the application for prospective or retroactive assistance under the provisions and limitations of this subpart, and any additional relevant information, the Bureau shall notify the dependent in writing of the approval or disapproval of the application.
- (b) If the application is denied, in whole or part, the Bureau shall explain the reasons for the denial. A copy of the decision, together with information as to the right to an appeal, shall be mailed to the applicant's last known address.

## §32.37 Determination of benefits.

- (a)(1) Financial assistance under this subpart shall consist of direct payments to an eligible dependent and shall be computed on the basis set forth in 38 U.S.C. 3532.
- (2) The dependent's status as a fulltime, three-quarter-time, half-time, or less-than-half-time student will be determined in accordance with the requirements of, and must be certified by, the eligible educational institution.
- (b) In applying the limitations under this subpart with respect to prospective assistance, the Bureau shall consider any retroactive benefits provided to the dependent pursuant to §32.35.
- (c) Benefits payable under this subpart shall be in addition to any other benefit that may be due from any other source, except that, if the FLEDA assistance in combination with other benefits would exceed the total approved costs for the applicant's program of education, the assistance under this subpart will be reduced by the amount of such excess.

## §32.38 Denial of benefits.

- (a) No benefit shall be paid under this subpart if the Bureau determines that the dependent is not eligible for, is no longer eligible for, or is not entitled to the assistance for which application is made. Without limitation, this will include circumstances in which—
- (1) The benefits would exceed the applicable durational limits;
- (2) A dependent child has exceeded the age limit for benefits;
- (3) The dependent has failed to maintain satisfactory progress in the selected program of education as defined in §32.32(i);
- (4) The dependent is in default on any student loan obtained through Title IV of the Higher Education Act of 1965, unless the assistance under this subpart is used for repayment of the defaulted loans and the applicant provides evidence of this fact to the Bureau in the form of an approved repayment plan; or
- (5) The dependent is subject to a denial of federal benefits under 21 U.S.C. 862.
- (b) The Bureau shall deny benefits under this subpart if—  $\,$
- (1) The educational institution attended by the dependent fails to meet a requirement for eligibility described in §32.32(h):
- (2) The dependent's enrollment in or pursuit of the selected program of education would fail to meet the criteria established in §32.32(g); or
- (3) The dependent already is qualified by previous education or training for the educational, professional or vocational objective for which the program of education is offered.

## §32.39 Appeals.

An applicant may, within 30 days after notification of denial, submit a written appeal request to the Bureau. Appeals will be handled consistent with §32.24 and the appendix to this part, except that such appeals shall not be handled by oral hearing but will be conducted through a record review by an administrative hearing officer. Provisions in §32.24 and the appendix to this part relating to oral hearings shall not be applicable to appeals under this subpart.